

Volume 2. Air Operator Certification and Fractional Ownership Application

CHAPTER 4. THE APPLICATION PROCESS - 14 CFR PART 91K

SECTION 2. PHASE 1 – PREAPPLICATION

393. INITIAL INQUIRIES OR REQUESTS.

A. Initial Inquiries. Initial inquiries or requests for application may come in various formats from individuals or organizations. These inquiries may be in writing or in the form of meetings with FSDO personnel.

B. Applicant Orientation. Upon initial contact, FSDO personnel should direct the applicant to the web at <http://www.faa.gov/avr/afs/fractional>. This site provides additional information the applicant needs to complete the application process. The inspector should ask the applicant to schedule an appointment for an initial contact meeting. While the regulation does not require specific management personnel or qualifications (unless the program manager is requesting a Continuous Airworthiness Maintenance Program (CAMP)), the program manager should identify management personnel, points of contact within the company, and persons authorized to sign the Management Specifications (MSpecs). These key personnel should attend the initial contact meeting and be prepared to discuss, in general terms, the plans of the proposed operation.

395. INITIAL CONTACT MEETING.

A. General. The applicant should be prepared to discuss, in general terms, specific aspects of the applicant's proposed operation. FSDO personnel should discuss the application process in depth. Emphasis should be placed on the expectations of the FAA, what the applicant should expect from the FAA, and the sequence of events. The five phases of application and the requirements of the gate system (see figure 2.4.2.2.) should receive emphasis, and the applicant should be encouraged to ask questions during the discussion. Applicants should be thoroughly familiar with the gate system requirements before continuing with the process.

B. Preapplication Information. The initial contact meeting between the FSDO and the applicant sets the tone for the rest of the application process. Therefore, it is important that the FAA personnel be thoroughly prepared to conduct the meeting. The FSDO should provide an application package containing the following documents to the applicant or direct the applicant to the FAA web site to

retrieve these documents (<http://www.faa.gov/avr/afs/fractional>):

- Guidance documents including applicable sections of FAA Orders 8300.10, Airworthiness Inspector's Handbook, and 8400.10, Air Transportation Operations Inspector's Handbook
- Fractional Ownership rule and preamble
- Preapplication Statement of Intent (SOI) (Figure 2.4.2.1)
- Parts 91, 119 and 135, as applicable
- Schedule of events that outlines the approval process (Figure 2.4.2.3)

397. SECOND CONTACT MEETING.

A. An applicant submits the completed SOI. The first item for discussion should be verification of the information on the SOI, such as the type of operation, types of aircraft, geographic areas of operation, and location of facilities. When changes to this information occur, the applicant must annotate the changes on the SOI. If the changes significantly affect the anticipated scope and/or type of operation, a copy of the revised SOI shall be forwarded to the RFSD. If the changes indicate the need for reassignment of application responsibilities to another FSDO, the RFSD shall notify, without delay, the affected FSDO's so that the application project can be reassigned. In this situation, it may be appropriate to terminate the preapplication meeting.

B. Additional Items submitted by applicant. At the second meeting, the applicant should submit, to the FSDO, a proposed application schedule of events and documentation to substantiate a fractional ownership program or business plan. In addition, the applicant shall identify locations for training, maintenance, and principal base of operations.

C. Once the FSDO has accepted everything in the pre-application phase, the applicant may advance to Phase II – Formal Application.

399. FAA WORKSHEET 8400-91K, "STATEMENT OF

INTENT” (SOI) (FIGURE 2.4.2.1) .

A. Purposes of a Statement of Intent (SOI). Often, a program manager for a fractional ownership operation may not be fully aware of the regulatory and policy requirements as well as the resources necessary for the issuance of Management Specifications (MSpecs). The principal inspectors should make the program manager aware of the following:

(1) Order 8400.10, Vol. 3, Chap. 1, Section 2 provides general guidance in regard to the automated Operations Specifications Subsystem (OPSS) and the issuance of MSpec authorizations.

(2) All program managers operating under 14 CFR part 91, subpart K, are required to be on Industry OPSS (IOPSS) at the beginning of operations.

(3) The completed SOI denotes intent by the program manager to continue the application process. It also allows the FAA to plan activities and prepare to commit resources.

B. Processing the SOI. The FSDO manager uses the SOI to evaluate the complexity of the proposed fractional ownership operation and to determine whether appropriately-trained and experienced inspectors are available in the FSDO to conduct the proper surveillance of the anticipated fractional ownership operation and its program manager. The SOI is used to initiate the FSDO files such as the Program Tracking and Reporting Subsystem (PTRS).

C. District Office Review of SOI.

(1) *Review upon Receipt.* Upon receipt of a signed SOI, the FSDO will review the form to ensure that there is sufficient information to further process the preapplication.

The FSDO will ascertain that the proposed fractional ownership operation is consistent with the 14 CFR part 91, Subpart K under which the program manager will be required to operate.

(2) *Unacceptable SOI.* If the SOI is unacceptable, the reasons why it is unacceptable must be described in section 2 of the worksheet and returned to the future program manager. The FSDO shall notify the program manager, either verbally or by letter, that the SOI is unacceptable for the reasons detailed in section 2 of the worksheet and that a new SOI is required. A copy of the rejected SOI shall be retained in the FSDO files for three years.

(3) *Acceptance of a SOI.* When the SOI is acceptable, the FSDO shall check the “Action” box and complete section 2 of the form.

(a) Within 5 working days, the SOI shall be forwarded electronically to 9-AWA-AFS-OPSSPROB/AWA/FAA@FAA.

(b) The Operations Safety System (OPSS) technical operations center will assign a unique identification number for that program manager in the automated OPSS.

(c) The OPSS technical operations center will then notify the POI of the identification number and that the program manager is available in IOPSS for MSpec issuance.

(d) The OPSS technical operations center will assist in the coordination of the IOPSS training for the program manager and its principal inspectors.

400. – 420. RESERVED

**FIGURE 2.4.2.1.
STATEMENT OF INTENT**

STATEMENT OF INTENT FOR FRACTIONAL OWNERSHIP PROGRAMS		
1. Name and mailing address	2. Address of principal base where operations will be conducted	
3. Proposed Startup date	4. Requested three-letter company identifier in order of preference 1. ___K 2. ___K 3. ___K	
5. Program Manager Representative		
Name (Last, first, middle)	Company Name	Telephone (including area code)
6. Type of operation		
Other Certificate(s) Held:		
<input type="checkbox"/> Part 125 Certificate No: _____ <input type="checkbox"/> Part 121 Certificate No: _____ <input type="checkbox"/> Part 135 Certificate No: _____ <input type="checkbox"/> Other Affiliate Part 91K ID No: _____ <input type="checkbox"/> Other Affiliate Part 91K ID No: _____ <input type="checkbox"/> Other Affiliate Part 91K ID No: _____		
7. Aircraft Data		
Number and types of aircraft (by make, model, and series)		8. Geographic area of intended operations
List may be attached		<input type="checkbox"/> US <input type="checkbox"/> US and International
9. Additional information that provides a better understanding of the proposed fractional ownership.		
10. The statements and information contained on this form denote an intent to apply for management specifications		

**FIGURE 2.4.2.1.
STATEMENT OF INTENT (CON'T)**

Signature	Date	Name and Title
<i>Section 2. To Be Completed By FAA District Office</i>		
Received By (district office):	Date Scheduled for IOPSS	
Date:	For: <input type="checkbox"/> Action <input type="checkbox"/> Information only	
<i>Has this Program Manager ever been assigned any 4 digit designator <input type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> unknown Designator Code:</i>		
Remarks:		

FIGURE 2.4.2.2.

FIVE PHASES OF CERTIFICATION AND REQUIREMENTS OF THE GATE SYSTEM

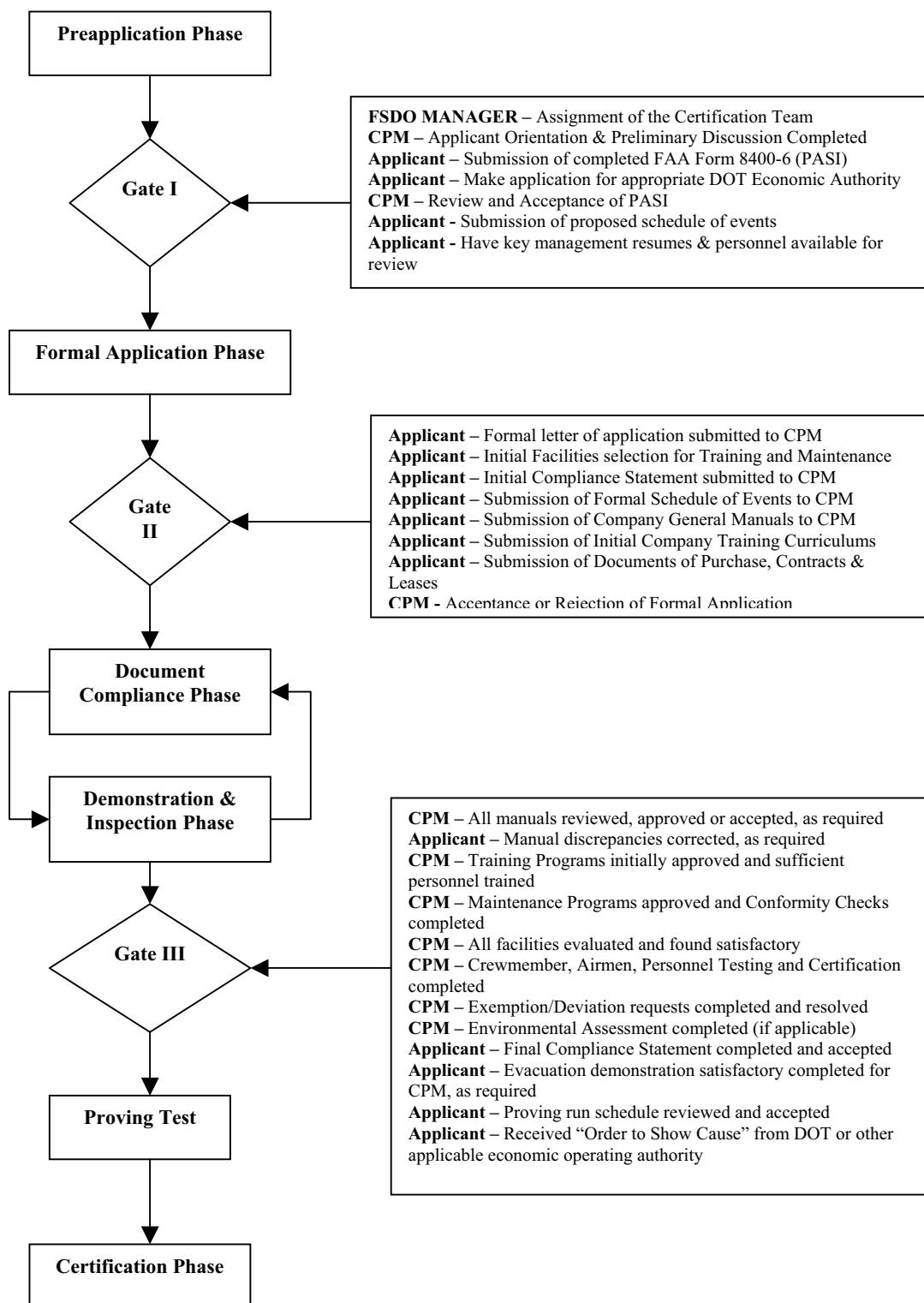


FIGURE 2.4.2.3.
SAMPLE SCHEDULE OF EVENTS

Company Name: _____

Phase I - Preapplication:				
1. Initial Contact Meeting Date: _____		Date Submitted /Received	Date Returned	Date Approved /Accepted
2. Second Contact Meeting Date: _____				
a. Statement of Intent (SOI)				
b. Proposed Schedule of Events				
Phase II - Formal Application:				
1. Formal Application Meeting Date: _____				
2. Formal Application				
3. Formal Application Attachments (as required or if applicable):				
a. Management Personnel/Points of Contact				
b. Program Operating Manual (POM)				
c. Requests for Deviations				
d. General Maintenance Manual (GOM)				
e. Weight & Balance Procedures/Program				
f. Training Programs				
g. Aircraft Flight Manual (AFM)				
h. Aircraft Operations Manual				
i. Minimum Equipment List				
j. Schedule of Events				
k. Other Programs, Manuals, Material,				
(1) Cockpit Checklists (Normal, Abnormal, Emergency)				
(2) Passenger Briefing Cards				
(3) Environmental Impact Statements				
(4) Destination Airport Analysis				
(5) Flight & Rest Scheduling Program				
(6) Haz Mat Recognition Program				
(7) Security Program				
(8) Flight Attendant Manual				
(9) Flight Locating Procedures				
(10) Maintenance Reliability Program				
(11) Proving and/or Validation Test Plan				
(12) Continuous Analysis & Surveillance System (CAMP)				
(13) Compliance Statement				
(14) Owner Acknowledgement/Contract Certification Statement				
(15) List of Aircraft				
(16) Internal Safety Reporting Procedures				
(17) Incident/Accident Reporting Procedures				
(18) Pilot Safety Background Checks & Procedures				
(19) Location of the Records Repository				
(20) Drug & Alcohol Misuse Education Program				
(21) Other Requested Authorizations				

FIGURE 2.4.2.3 cont.
SAMPLE SCHEDULE OF EVENTS

	Date Submitted /Received	Date Returned	Date Approved /Accepted
Phase III - Document Compliance:			
1. Training Curriculums:			
a. Pilots			
b. Flight Attendants (if utilized)			
c. Instructors/Check Pilots			
d. Haz Mat			
e. Maintenance Personnel			
f. Inspection Personnel			
g. Ground Handling/Service			
h. Dug/Alcohol Education			
2. Contracts/Agreements/Requests:			
a. Owner Contract Certification Statement			
b. Training Contracts			
c. Maintenance Contracts			
d. Servicing Contracts			
e. Exemptions/Deviations			
3. Other Items:			
a. Final Compliance Statement			
b. Final Proving and/or Validation Test Plan			
c. Management Specifications (MSpecs) Worksheet			
d. Training Schedules			
Phase IV - Demonstration & Inspection:			
1. Monitor Training:			
a. Flight Crewmembers – Proficiency Checks			
b. Check Pilots			
c. Maintenance Training			
d. Flight Attendant – Competency Checks			
2. Aircraft Conformity Inspections			
3. Principal Base of Operations Inspection			
4. Maintenance Base Inspection			
5. Proving/Validation Testing			
a. Table-Top Demonstrations			
b. Operational Control Inspection			
c. Maintenance Procedures Inspection			
d. Passenger Handling Inspection			
e. Record Keeping Inspection			
Phase V - Documentation:			
1. Issuance of Management Specifications (MSpecs)			
2. PTRS Completion			
3. File Appropriate Documents			

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